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A Limited Liability Partnership

2 Including Professional Corporations

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8 [Proposed] Attorneys for

Debtors and Debtors in Possession

10 UNITED STATES BANKRUPTCY COURT

11 NORTHERN DISTRICT OF CALIFORNIA, SAN JOSE DIVISION

12 In re

Case No. 20-30748

13 ☐ SIZZLER USA ACQUISITION, INC., a
Delaware corporation

Joint Administration Requested with
Case Nos. 20-30746, 20-51400, 20-51401,
20-51402, 20-51403, 20-51404, and 20-51405

14 ☐ SIZZLER USA HOLDINGS, INC., a
Delaware corporation

Chapter 11 Proceeding

15 ☐ SIZZLER USA FINANCE, INC., a
Delaware corporation.

**SUPPLEMENTAL DECLARATION OF
CHRISTOPHER PERKINS IN SUPPORT
OF DEBTORS' FIRST DAY MOTION
FOR ORDER AUTHORIZING DEBTORS
TO HONOR PREPETITION
OBLIGATIONS TO EMPLOYEES**

16 ☐ WORLDWIDE RESTAURANT
CONCEPTS, INC., a Delaware
corporation

17 ☐ SIZZLER USA, INC., a Delaware
corporation

18 ☐ SIZZLER USA FRANCHISE, INC., a
Delaware corporation

19 ☐ SIZZLER USA REAL PROPERTY, INC.,
a Delaware corporation

20 ☐ SIZZLER USA RESTAURANTS, INC., a
Delaware corporation

Judge: Hon. M. Elaine Hammond

Date: September 22, 2020

Time: 9:30 a.m.

Place: Tele/Videoconference Only

21 ☒ ALL DEBTORS,

22 Debtors and
23 Debtors in Possession.

1 I, Christopher Perkins, declare as follows:

2 1. I am the President and Chief Services Officer of Sizzler USA Acquisition, Inc.
3 (“SUSAA”), Sizzler USA Holdings, Inc. (“SUSAH”), Sizzler USA Finance, Inc. (“SUSAFI”),
4 Worldwide Restaurant Concepts (“WRC”), Sizzler USA Inc. (“SUSA”), Sizzler USA Franchise,
5 Inc. (“SUSAFR”), Sizzler USA Real Property, Inc. (“SUSARP”), and Sizzler USA Restaurants,
6 Inc. (“SUSAR,” collectively, the “Debtors”), debtors and debtors in possession in the above-
7 captioned chapter 11 proceeding. I became President of the Debtors in January 2020 and have
8 been serving as Chief Services Officer since May 2019. Previously, I served as Director and
9 General Counsel of the Debtors from February to May 2019.

10 2. I am the officer with primary responsibility for the business and financial affairs of
11 the Debtors. I am familiar with the Debtors’ operations and books and records, which I personally
12 know are made and maintained in the ordinary course of business. On this basis, I have personal
13 knowledge of the facts stated herein or knowledge based on the business records that are made and
14 maintained in the Debtors’ ordinary course of business, the information supplied to me by (a) my
15 colleagues who report directly to me or (b) the Debtors’ general bankruptcy counsel and other
16 legal and professional advisors.

17 3. I submit this Declaration in further support of the *Debtors’ Emergency Motion for*
18 *Order Authorizing Debtors to Honor Prepetition Obligations to Employees* (the “Employee
19 Obligations Motion”), filed on September 21, 2020, as Docket No. 8 in Case No. 20-30748 and
20 also as a supplement to the *Declaration of Christopher Perkins in Support of First Day Motions*
21 (the “First Day Declaration”), also filed on September 21, 2020, as Docket No. 13 in the same
22 case. If asked to do so, I could and would testify competently under oath to the following matters.

23 4. As noted in the Employee Obligations Motion and in the First Day Declaration,
24 SUSAR has over 200 active employees. Most of these employees are hourly restaurant workers,
25 many of whom live paycheck-to-paycheck, and can ill-afford any interruption in payment,
26 especially during the ongoing pandemic emergency and economic turmoil.

27 5. Also as noted in the Employee Obligations Motion and in the First Day
28 Declaration, the next scheduled payroll is due to be paid out on Friday, September 25, 2020.

1 However, to make timely payment on payroll, SUSAR must fund the payroll by Wednesday,
2 September 23, 2020.

3 6. The outstanding payroll due to be paid on Friday, September 25, 2020, totals
4 \$179,062. The following chart provide a breakdown of the payroll amounts due to different
5 groups of workers:

Group	Amount	% of Payout	No. of People
Chris & Tim Perkins	\$0	0%	2
Senior Leadership Team	\$27,296	15%	6
Home Office Employees	\$21,422	12%	8
Store Level Staff	\$130,343	73%	218
Grand Total	\$179,062	100%	232

11
12 7. As shown in the above chart, 73% of the payroll due to be paid on Friday,
13 September 25, 2020, is owed to store-level restaurant staff, most, if not all, of whom are hourly
14 employees who will suffer immensely if they do not receive prompt payment of payroll on Friday.
15 The Debtors, therefore, have sought emergency interim relief to ensure that SUSAR's hourly
16 employees do not suffer any interruption in payment.

17 8. Also as shown in the above chart, the most senior level members of the leadership
18 team, that is, the Debtor's Chief Strategy Officer Timothy Perkins and I, are not presently taking
19 any salary draw or receiving any payroll payments. Indeed, Timothy Perkins and I have foregone
20 receiving nearly any salary payments for the past six months and continue to defer our salaries
21 over an extended period of time.

22 9. Beyond this, only six members of the Senior Leadership Team are proposed to
23 receive a payroll payment on Friday, September 25, 2020. Prior to the Petition Date, these
24 members of the Senior Leadership Team had already received a 25% pay cut, which, assuming the
25 Court grants the relief requested in the Employee Obligations Motion, will continue indefinitely.
26 Of these six members of the Senior Leadership Team, Forbes Collins is an officer, while the other
27 five members of the Senior Leadership Team are non-insiders.

10. The remaining employees are all non-executive, and as previously discussed, likely would suffer greatly should their paychecks be delayed even for a few days.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 21st day of September, 2020, at Mission Viejo, California.

DocuSigned by:

BEED1899CC3B46C...
Christopher Perkins